REMARKS

BACKGROUND

Status of the Claims

Claims 1-15 were presented for examination. Claims 1-15 were rejected under 35 U.S.C. 112 for failing to particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. Claims 1-15 were rejected under 35 U.S.C. 103(a) as unpatentable over publication "Electric Power systems Operation by Decision and Control," IEEE Control Systems Magazine, August 2000 to Ilic ("Ilic"). Applicant hereby amends claims 1, 2, 6, 9, 10 and 14. Support for the claim amendments can be found throughout the Specification and at least at paragraphs 0057-0064, 0044, 0049 and FIG. 5. Applicant submits that no new matter is added. Upon entry of this Response, claims 1-15 will be pending for examination.

Overview of Examiner's Rejections

In the Office Action claims 1-15 were rejected under 35 U.S.C. 112 for failing to particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. In particular, the Examiner cited synchronizing of request and demand bid curves as being unclear. Claims 1-15 were rejected under 35 U.S.C. 103(a) as unpatentable over Ilac. In particular, the Examiner maintains that Ilac, in a section entitled "Short Term Generation" discloses an optimization step of electricity production.

RESPONSE TO THE OFFICE ACTION.

35 U.S.C. 112 Rejections: Claims 1-15

Applicant amends claims 1, 2 9, and 10 to remove references to synchronization of curves. Applicant respectfully submits that the amended claims particularly point out and distinctly claim the subject matter which the Applicant regards as the invention. Reconsideration and withdrawal of the rejection under 35 USC 112 are respectfully requested.

35 U.S.C. 103(a) Rejections: Claims 1-15

Claims 1-15 were rejected under 35 U.S.C. 103(a) as unpatentable over Ilac. In particular, the Examiner maintains that Ilac, in a section entitled "Short Term Generation" discloses an optimization step of electricity production. Applicant respectfully traverses the rejection to the extent it is maintained against the claims as amended.

Applicant's independent base claims 1 and 9 are directed to a system and method wherein an optimum set of values for tie-line flows and charges for all regions served by said tie-line flow control system for the at least one selected time interval are determined. The determination includes minimizing a mathematical expression which includes at least inter-regional tie-line flows and a benefit related to the use of tie-line flows occurring in inter-regional transactions. In the published article, Ilac does not teach minimizing a mathematical expression which includes at least inter-regional tie-line flows and a benefit related to the use of tie-line flows occurring in inter-regional transactions as claimed in Applicant's claims. Applicant additionally submits that Ilac does not disclose or teach carrying out such minimization subject to a technical flow law based on conservation of flow of charge as claimed in Applicant's claims 2 and 10. Applicant further submits that the invention pertains to a newly evolving environment of deregulated electrical power delivery, for which new paradigms were under development at the time of Applicants invention. The cited reference in Ilac falls within a section pertaining to a regulated industry which begins on page 26 of the article. Applicant submits that there is no obvious guarantee of success in applying the cited optimization to a deregulated industry.

In view of the reasons set forth above, Applicant respectfully requests reconsideration and withdrawal of the rejections of claims 1 and 9 under 35 U.S.C. 103(a). Since claims 2-8 and 10-15 depend from allowable base claims, Applicant respectfully requests reconsideration and withdrawal of the rejections of these claims.

CONCLUSION

In view of the above, Applicant submits that all presently pending claims are in condition for allowance, and early indication thereof is respectfully requested. If the Examiner feels that a telephone call would expedite the prosecution of this case, the Examiner is invited to call the undersigned at (617) 248-5143.

Respectfully submitted, CHOATE, HALL & STEWART LLP

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